

Monthly Status Briefing

September 2010



Blue Grass Chemical Agent-
Destruction Pilot Plant

BGCAPP
Blue Grass Chemical
Agent-Destruction Pilot Plant

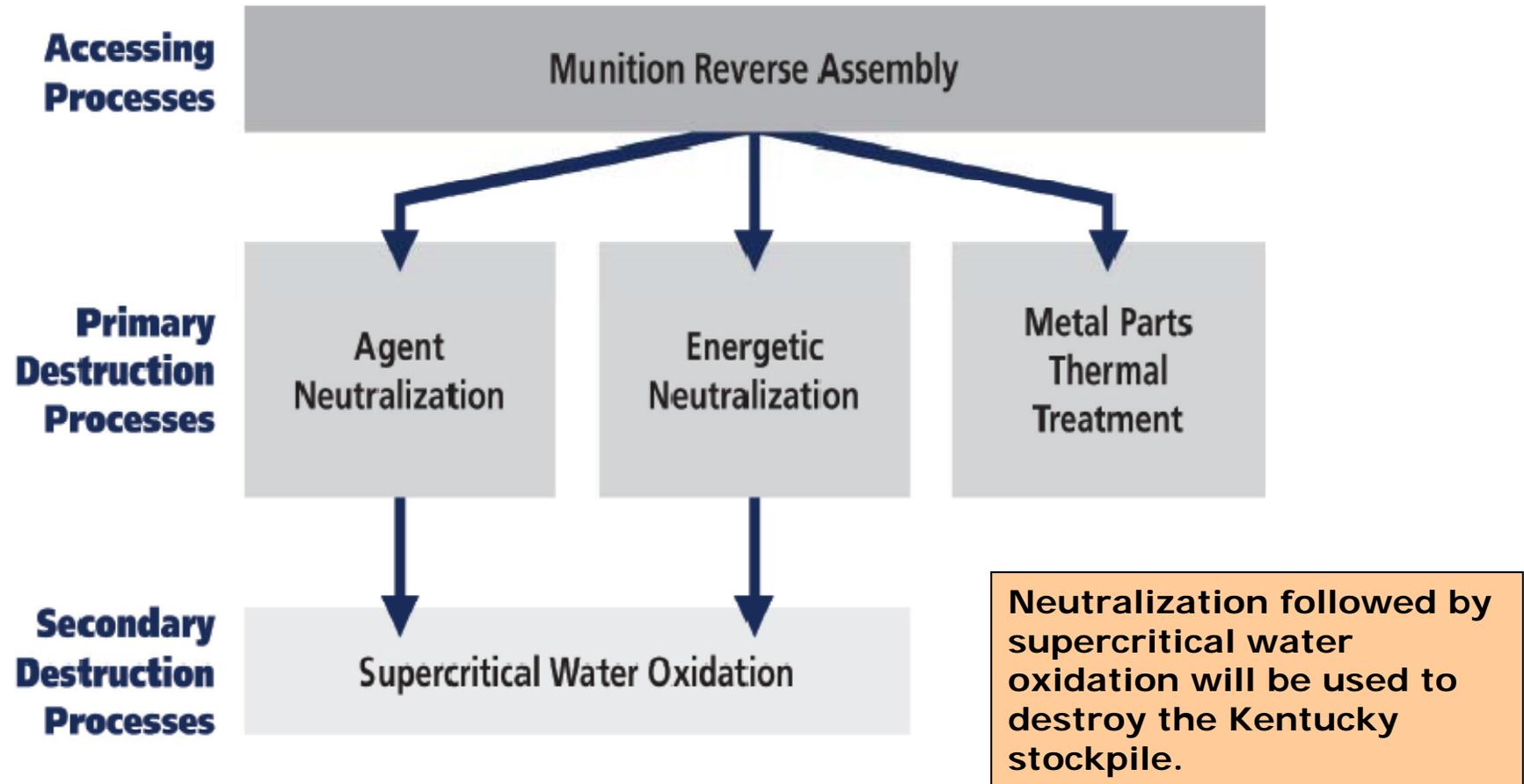
A PARTNERSHIP FOR SAFE CHEMICAL WEAPONS DESTRUCTION

Project Background

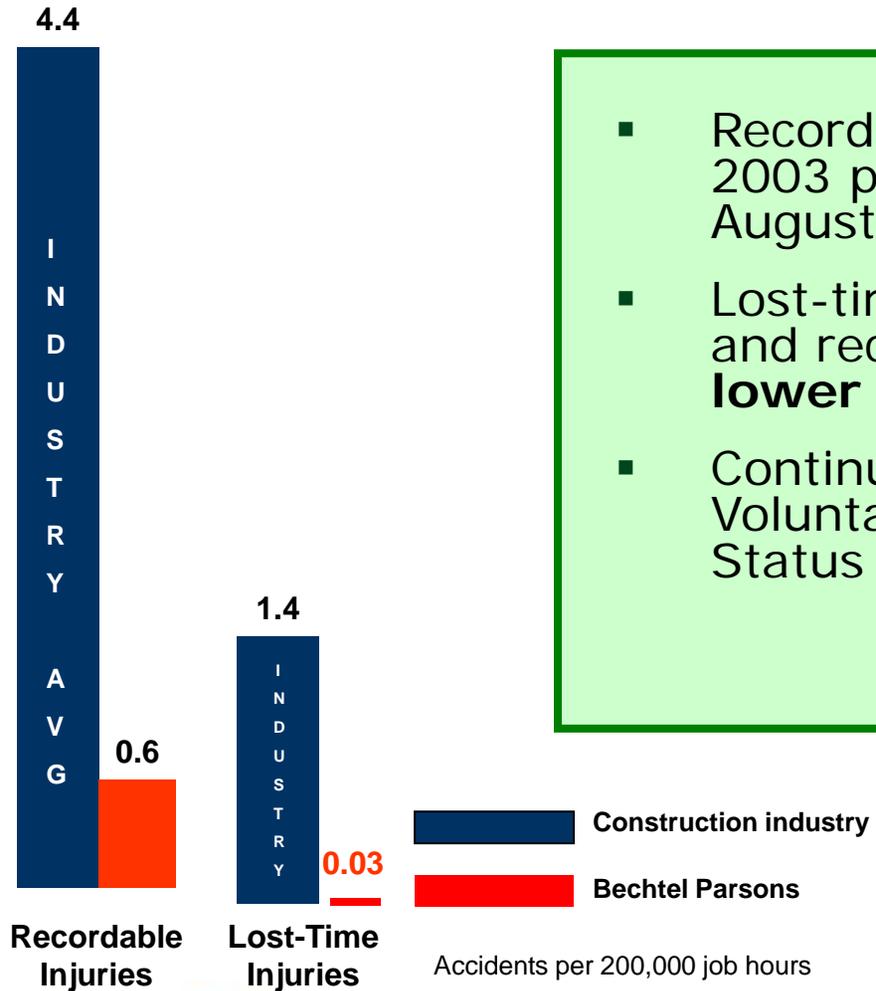
- The Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP) will safely destroy 523 tons of chemical agent in rockets and artillery projectiles stored at the Blue Grass Army Depot in Richmond, Kentucky.
- The technology selected by the Department of Defense to destroy the Blue Grass chemical weapons stockpile is neutralization followed by Super Critical Water Oxidation (SCWO).
- The Program Manager, Assembled Chemical Weapons Alternatives (ACWA), headquartered at Aberdeen Proving Ground, Maryland is responsible for managing all aspects of the safe and environmentally sound destruction of the chemical weapons stockpiles in both Kentucky and Colorado.
- The Bechtel Parsons Blue Grass Team, a joint venture of Bechtel National, Inc. and Parsons Infrastructure and Technology Group, along with teaming partners URS Washington Division, Battelle Memorial Institute, General Atomics and General Physics, is the systems contractor selected to design, build, systemize, pilot test, operate and close the BGCAPP.



Destruction Technology



Safety



- Recorded first lost-time accident since 2003 project inception (knee injury) in August
- Lost-time injury rate **98 percent lower** and recordable injury rate **85 percent lower** than industry average
- Continued progress toward OSHA Voluntary Protection Program Star Status



Current Project Staffing



Workers install siding on Control and Support Building.

- **Total project employment 698**
- **Richmond, Ky., 590:**
 - Nonmanual – 374
 - Craft – 216
 - 51 percent local hires
- **Other locations - 108**
 - Pasco, WA
 - San Diego, CA
 - Columbus, OH
 - Frederick, MD

Engineering is Complete



On July 26, 2010 the government gave formal approval to the plant design submitted by Bechtel Parsons Blue Grass, paving the way for continued construction progress.



Substation energized



The 138kV substation that will provide electricity to the plant was energized with power from Kentucky Utilities July 26, 2010.



Construction Work in Progress

- **Munitions Demilitarization Building**
 - Blast walls
 - Structural steel
- **Energetics Neutralization Reactors**
- **Electrical system**
 - Substation
 - Power centers
 - Pump house
- **Utility Building**
- **SCWO Building**
- **CSB siding**



Siding is being installed on Control and Support Building.

Energetics Neutralization Reactors



The first two of three Energetics Neutralization Reactors (ENRs) were installed in late August and early September. They were fabricated by a supplier in Louisville. The ENRs will neutralize explosives that have been removed from munitions.

MDB Structural Steel



Installation of structural steel is moving west from Control and Support Building (right) toward blast areas of Munitions Demilitarization Building.

Utility Building



The Utility Building is being constructed by M. P .Kelly Construction Company of Richmond. The building will house equipment to produce steam, compressed air, chilled water and hot water for plant operations.

SCWO Building



Equipment pedestals are being installed for the Super Critical Water Oxidation Building.

Economic Impact

■ ACQUISITIONS

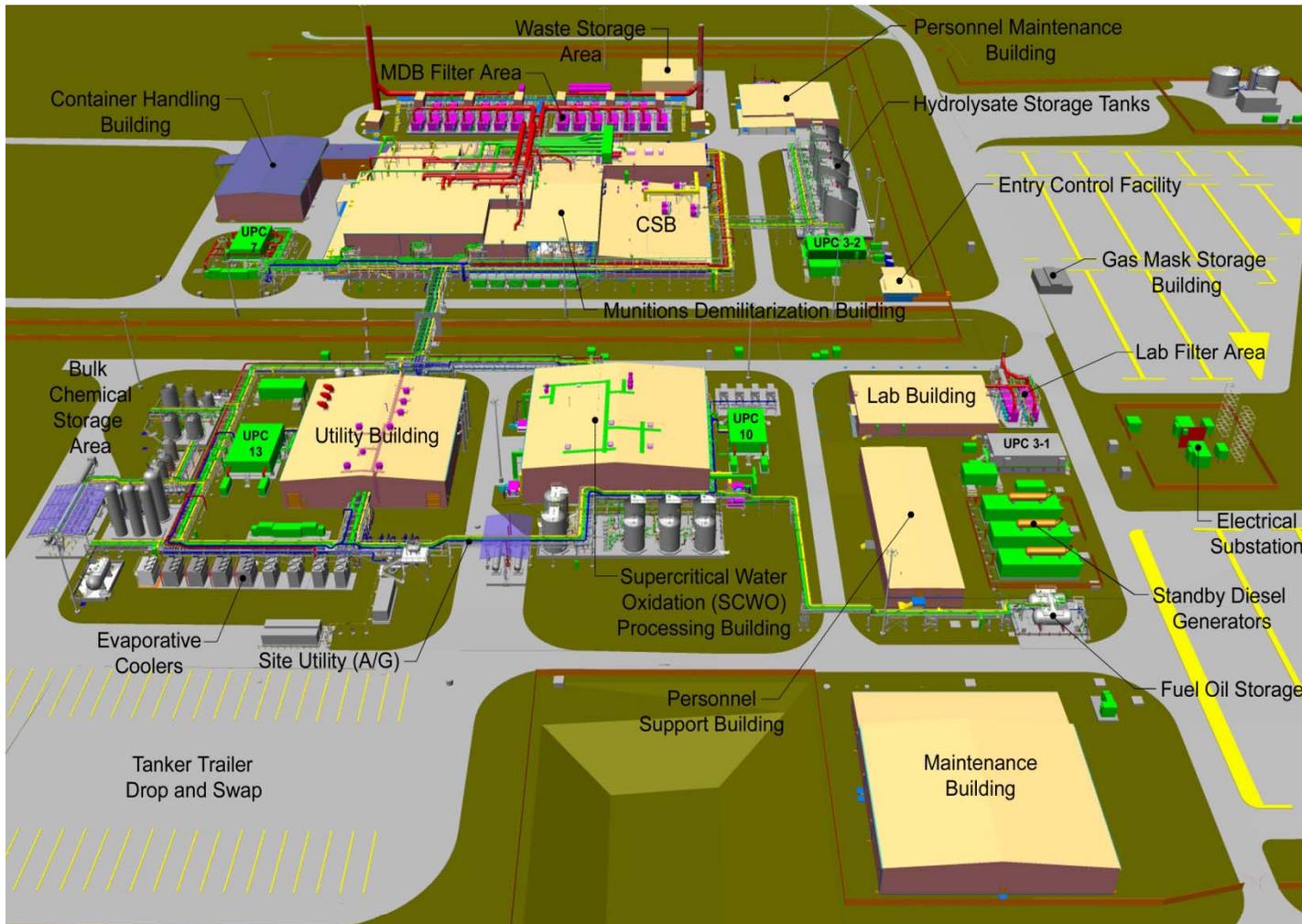
- More than \$62 million spent with Kentucky companies; \$38 million in Madison and surrounding counties
- Vendor Forum scheduled Oct. 5

■ PAYROLL

- Approximately \$100 million of local payroll to date
- More than \$500 million more to be paid remainder of project



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OPSEC completed 9 September 2010